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## Cloud industry a 'mess' of suppliers and standards, experts warn

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The complexity of the cloud computing arena is a major stumbling block to adoption, according to delegates at this week's NetEvents business IT symposium in Rome.

Ovum analyst Peter Hall presented the analyst house's growth forecast for the cloud market and outlined a global \$66 billion market for cloud services by 2016. He said the market was worth \$14 billion in 2010 and that there would be a compound annual growth rate of 29 percent. Ovum's figures cover software-as-a-service, infrastructure-as-a-service and platform-as-a-service.

"There are a multitude of different suppliers but at the moment the various segments are dominated by key players like Salesforce.com, Amazon Web Services, Rackspace, Verizon and others but their revenues from cloud services are still relatively small," said Hall.

For instance, he estimated that Amazon represented about half of the IaaS market, but that was only worth around \$400m out of the total \$800m, and that Rackspace only had 10 percent of that total.

At the moment, said Hall, Salesforce.com was still the key player in the much larger SaaS market and held up to 30 percent of the PaaS market.

He predicted a shake-up though with the rise of the telcos as they ploughed more cash to support cloud infrastructure as they went after more end user cash for services. Hall said players such as AT&T, BT, Orange and Tata, along with Verizon would be looking to eclipse the revenues taken by Amazon through multimillion dollar deals with large firms.

He said the likes of Amazon were on average bringing in \$1,000 to \$10,000 a year from most smaller customers through "commodity" piecemeal cloud services. The real money, he said, was to be made in mission critical and specialised cloud services from larger firms.

But if major firms are to fully adopt cloud working they will want to see the cloud industry get together and thrash out service delivery standards, said the Metro Ethernet Forum (MEF), an industry forum promoting established Ethernet technologies in the public cloud.

Kevin Vachon, chief operating officer of the MEF, said: "When it comes to APIs, standards, business models, service delivery and established cloud architectures, the cloud industry is in a bit of a mess."

Vachon said the MEF was now working with cloud carriers to improve matters through an initiative set up by the US National Institute of Science and Technology, which seeks to bring together cloud consumers, providers, auditors, brokers and carriers to deliver standards the whole industry can work to.

Vachon said the MEF expected to issue guidance to cloud carriers in relation to the NIST initiative this December or January 2012.

Some delegates at the Netevents symposium thought a real stumbling block was the complicated way that some consumers viewed the cloud though.

Steve Garrison, vice president of marketing at networking firm Infoblox, said: "The term 'cloud' itself is pretty meaningless, the cloud is really just a big mainframe platform you use to get your data from and some of the server companies are over-complicating the issue."

On security, there is often much debate to be had as to whether firms should go down the 'private' or 'public' cloud route, but Sean Larner, vice president of wireless networking provider Xirrus, said: "The private and public clouds are converging and you can't cancel out the security risks whichever cloud road you go down."